

**RESOLUTION NO. 75342**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING THE SALE OF CERTAIN SITES LOCATED AT 285 SOUTH MARKET STREET AND 8 EAST SAN FERNANDO STREET TO SOBRATO INTERESTS III, ACCEPTING THE SUMMARY COSTS AND FINDINGS OF THE 33433 SUMMARY REPORT AND MAKING CERTAIN FINDINGS PURSUANT TO THE CALIFORNIA HEALTH AND SAFETY CODE SECTION 33433**

**WHEREAS**, the Redevelopment Agency of the City of San Jose ("Agency") is presently engaged in redevelopment activities in the San Antonio Plaza Redevelopment Project Area ("Project Area"); and

**WHEREAS**, the Agency owns property in the Project Area at 8 East San Fernando Street, commonly known as Block 2, and at 285 South Market Street, commonly known as Block 8 (jointly, the "Property"); and

**WHEREAS**, staff recommends that the Agency enter into a Purchase and Sale and Development Agreement ("Agreement") with Sobrato Interests III ("Sobrato") for the sale of the Property for the continued use as surface parking lots prior to Sobrato's development of the Property, which will be dictated by the market and subject to applicable zoning requirements; and

**WHEREAS**, Community Redevelopment Law provides in Section 33433 that (1) before any property acquired, in whole or in part, with tax increment monies is sold or leased for development pursuant to a redevelopment plan, such sale or lease shall first be approved by the City Council, after a duly noticed public hearing of the City Council, and (2) the Agency shall make available for public inspection a copy of the proposed

sale or lease and a summary which describes the financial aspects of the transaction;  
and

**WHEREAS**, a Summary Report has been prepared pursuant to Health & Safety Code Section 33433, containing information required by Section 33433, and said report and copies of the proposed Agreement were made available to the public for inspection prior to the hearing, as required by Community Redevelopment Law; and

**WHEREAS**, the Section 33433 Summary Report concludes that the consideration for the Property is not less than the fair market value at its highest and best use; and

**WHEREAS**, the proposed development of the Property will assist in the elimination of blight by increasing the supply of permitted downtown uses on an under-utilized site, strengthening the Project Area as a first-class residential and retail location, providing a catalyst for additional private investment in the Downtown, increasing employment during construction and thereafter, and benefitting the City's General Fund through increased sales taxes, business taxes, utility user fees, and property tax payments; and

**WHEREAS**, the proposed development of the Property is consistent with the goal of the Five Year Implementation Plan to eliminate conditions that negatively impact economic development of the community; and

**WHEREAS**, notice of a joint public hearing by the City Council and the Agency Board on the proposed Agreement has been duly published in accordance with the Community Redevelopment Law; and

**WHEREAS**, the joint public hearing of the Agency Board and the City Council was held on April 20, 2010;

**NOW, THEREFORE,** BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. The sale of certain Agency-owned property located at 285 South Market Street and 8 East San Fernando Street to Sobrato Interests III is approved; and
2. The summary of costs and the findings of the Summary Report pursuant to California Health and Safety Code Section 33433 are accepted; and
3. The consideration being paid to the Agency is not less than the fair market value that the Agency could receive for the Property at its highest and best use; and
4. The project will assist in the elimination of blight and is consistent with the Agency's Implementation Plan for the San Antonio Plaza Redevelopment Project Area.

ADOPTED this 20<sup>th</sup> day of April, 2010, by the following vote:

AYES: CHIRCO, CHU, CONSTANT, HERRERA, KALRA,  
LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

ABSENT: CAMPOS.

DISQUALIFIED: NONE.

ATTEST:



LEE PRICE, MMC  
City Clerk



CHUCK REED  
Mayor